

| TO | INITIALS | DATE | REMARKS |
|----------------|----------|-------------------|---|
| DIR | | | Declass Review by NGA. |
| DEP/DIR | | | |
| EXEC/DIR | 1 | <i>CDL 10 Aug</i> | |
| TECH ADV | | | Chick: |
| | | | Attached is a staff paper that I had |
| ASST FOR ADMIN | | | <input type="text"/> to prepare in view of Mr. |
| CH/SS | | | <input type="text"/> visit to |
| CH/MSS | | | our office at 1030 on 11 August. (We did not initiate this visit. |
| ASST FOR OPS | | | <input type="text"/> self-imposed himself at this time and place). |
| ASST FOR PA | | | |
| ASST FOR P&D | 2 | | Therefore, I would appreciate your review of at least the first five pages and if you concur, I will use this paper as a guide to my discussions with Ed. |
| CH/CSD | | | <input type="text"/> |
| CH/IPD | | | |
| CH/PD | | | |
| CH/PSD | | | |
| CH/TID | | | |
| | | | |
| | | | |
| CH/CIA/PID | | | |
| CH/DIA/XX-4 | | | |
| CH/DIA/AP-IP | | | |
| CH/SPAD | | | Concur - <i>C.K.</i> Place in personnel files - <input type="text"/> |
| LO/CGS/CIA | | | |
| LO/NSA | | | |

CIA INTERNAL USE ONLY

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D-R-A-F-T

PLANS AND DEVELOPMENT STAFF

POLICY PAPER ON CONTRACT

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CIA INTERNAL USE ONLY

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10 August 1965

PLANS AND DEVELOPMENT STAFF

POLICY PAPER ON CONTRACT

25X

1. The Plans and Development Staff has completed a review of the provisions of the contract and has evaluated the various projects proposed and undertaken within the contract. Past relationship between the two parties has been considered and an evaluation of the performance of the has been determined under the terms of the contract. It is our opinion that the cost of the present program has been too high in relation to the value of the end-product. Accordingly, it is recommended that the contract be allowed to terminate without renewal before FY-1967, except that outstanding PARs be completed with terminal funds.

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2. Subsequent R&D projects involving which would in the past have arisen under should now be treated in the same manner as that of other projects with other contractors, and processed according to the policies of P&DS. The Development Branch should continue to exploit the talents and experience of but at this time, should not continue with the present implementation of

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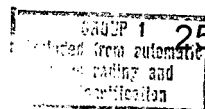
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3. The P&DS has not over-controlled the monitoring of the PARs, to the contrary -- from a beginning in 1964 with little monitoring, P&DS technicians added sound monitoring procedures gradually in quality control, costs, reporting, etc. These added "innovations" may have caused representatives to feel they were not trusted, thus some animosity has resulted.

4. NPIC had originally placed trust and confidence in to

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innovate, investigate and propose new methods or devices to further the state-of-the-art of collected information from photographic materials; imaginative and valuable projects were expected to develop from the [] R&D program. Personal disillusionment and lack of confidence began to grow within the staff of P&DS in the technical qualities of the [] assigned staff and because of the unaccommodation in the administration [] from time to time throughout 1964 and 1965. It is believed that [] representatives have sensed this growing discontent and have reacted to it. The reaction has been reflected by [] representative intimations that P&DS does not fully trust them, that [] action under [] is really an accommodation on their part, that P&DS is tying their hands with added monitoring methods and that there is a too-strict "customer" role played by NPIC which is not considered to be under the terms of the [] contract.

5. The provisions of the [] contract and the philosophy upon which the contract is based, are considered sound; the provisions of the contract were not ideally followed fully by either party from the outset.

6. [] representatives involved with [] should be notified of the decision to terminate the contract; at that time all care should be taken not to inhibit their initiative to originate future projects. The philosophy of [] should still apply in that R&D methods and devices in the photographic field could originate from either the customer or the prospective contractor.

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7. The above statements should not be construed as forming an indictment against the contract and the principles upon which is based. The Plans and Development Staff believes that future use of this type of contract, ^{taken up} with a number of competing contractors ~~and using~~ ^a ~~pre~~established monitoring system, will provide imaginative and valuable results in broader technological areas at less cost.

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10 August 1965

JUSTIFICATION STATEMENTS TO SUPPORT THE TERMINATION OF CONTRACT

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1. The contract although sound in theory has been equivocal in practice. Both parties have interpreted their own terms to fit their own philosophy. It is apparent to P&DS that is not satisfied (perhaps annoyed) with the monitoring system used by P&DS. Added measures of checking by the technical representatives was not envisioned by them. Obviously wishes a freer hand in the development of a project within the bounds of they wish more latitude in expending funds and do not wish to be questioned in detail about costs of a given project.

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2. If newly nominated PAR's were accepted by P&DS during FY-1966 and 1967, a slice of the R&D budget would have to be provided to support thereby reducing the funds for other contracts.

3. The comprehension and ground rules for have not at times been considered the same, for example, the concept of according to P&DS calls for fundamentally basic research with less emphasis on design and engineering; this has not always been so on the part of

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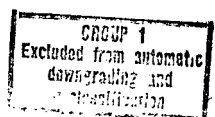
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4. In opinions of P&DS staff personnel, most completed and active PARs are considered relatively expensive comparing cost with end-product. The end-product may have been less costly through competitive contracting.

receives favored and exclusive consideration under

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25X1 5. One PAR was approved and accepted in 1965. Original projects under [] since 1963 have either been terminated, completed or are in final stages of completion. The contract itself, although renewed to allow for completion of certain projects, is in fact practically dead.

25X1 6. The dissolution of the [] between OSA and [] would remove these problem areas; a change could eliminate any animosities that may have existed between representatives of the two parties of the contract.

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6 August 1965


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 Contract

STATUS OF PARs MAY 1963 - AUGUST 1965

| | |
|-------------------------------------|----|
| Total considered | 39 |
| Total assigned | 25 |
| PARs not developed | 4 |
| PARs terminated after authorization | 4 |
| PARs rejected | 10 |
| PARs being prepared | 1 |
| PARs completed | 12 |
| PARs still active | 8 |

Total estimated cost
Additional funds required (approx.)

Total Estimated cost of 

* Total authorized expenditures

FY-64, FY-65 appropriations

* Nine PARs were either terminated prior to completion of expenditures, or completed at less than the original authorization. See details on Financial Standing sheet.

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10 August 1965

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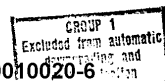
FINANCIAL STANDING - MAY 1963 TO AUGUST 1965

| PAR | DESCRIPTION | STATUS | COMMENTS |
|-----|-----------------------------|------------|---|
| 201 | Travel and Liaison | Active | |
| 202 | Briefing Print Enlarger | Active | To cost about additional. See PAR 224. |
| 203 | Rapid Access Printer | Terminated | |
| 204 | Contact Chip Printer | Terminated | Contractor did not meet the assigned concept. |
| 205 | Precision 4X Enlarger | Terminated | Contractor did not meet the assigned concept. |
| 206 | Reversal Processing Study | Completed | Fairly good report |
| 207 | Contact Printer Study | Completed | Worthwhile report but not far enough advanced. |
| 208 | Non-Elec. Image Enhancement | Rejected | |
| 209 | Phosphor Viewer | Terminated | Did not meet with required standard |
| 210 | Laminated Slides | Completed | Fairly good equipment - proto-type only. |
| 211 | Processing Effects Study | Completed | Information received not applicable to NPIC procedures. |
| 212 | Color Acq. System Review | Completed | |

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| <u>PAR</u> | <u>DESCRIPTION</u> | <u>STATUS</u> | <u>COMMENTS</u> |
|------------|-----------------------------|---------------|---|
| 213 | Color Reprod. Review | Completed | Useable information |
| 214 | Reversal Processor | Completed | Meets requirement but high cost. |
| 215 | 24-Inch Paper Processor | Completed | Meets requirement but high cost. |
| 216 | Laser Photographic Exposure | Completed | |
| 217 | Optimization of Lasers | Active | |
| 218 | Autofocus Systems | Not developed | |
| 219 | Opt. vs Contact Ptg. 1:1 | Not developed | |
| 220 | Static Elec. Hold-Down | Rejected | |
| 221 | Lens Bench Manual | Rejected | |
| 222 | Auto Stereo Regstrn System | Completed | Did not meet expected results. |
| 223 | Monochr. Lens System | Rejected | |
| 224 | 3X - 15X Enlarger | Active | To cost about <input type="text"/> additional. See PAR 202. |
| 225 | Micro-D Training Program | Completed | Rehash of known information in Microdensitrometry. |
| 226 | Edge Trace Meas., Micro-D | Completed | Returned to EB-1492. |
| 227 | Color Viewer | Preparing | |

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| <u>PAR</u> | <u>DESCRIPTION</u> | <u>STATUS</u> | <u>T.E.C.</u> | <u>AUTH. EXP.</u> | <u>COMMENTS</u> |
|------------|----------------------------------|---------------|---------------|-------------------|--|
| 228 | Vectograph Study | Not developed | | | |
| 229 | Optical Design Film Viewer | Not developed | | | |
| 230 | 10X Color Lens | Rejected | | | Cost involved too high |
| 231 | 10-20-40X Color Lamphouse | Rejected | | | Cost involved too high |
| 232 | Automated Edge Trace Device | Rejected | | | Belonged to acquisition phase |
| 233 | Zoom (6X to 60X) Projection Lens | Active | | | Auth. in 1965. In early stages. |
| 234 | MTF Exposure Device | Rejected | | | |
| 235 | Automation Program Study | Rejected | | | |
| 236 | Film Disposal Rewind Unit | Rejected | | | |
| 237 | Briefing Aids | Active | | | High cost |
| 238 | Equipment Installation | Active | | | Installation cost of processors under PARs 214 and 215 |
| 239 | Administration | Active | | | Administrative charges through 10 Aug. 1965. |

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10 August 1965

SUMMARY OF CONTRACT

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Began 20 May 1963; to end 30 June 1964 unless renewed. *(To be reviewed each year until the money is expended)*

Fixed fee:

Cost of Performance:

was to provide development support for:

- a. Improved methods
- b. Exploit information gained from techniques and equipment

was to pursue developmental activities in:

- a. Viewing equipment
- b. Projection techniques
- c. Color enlarging
- d. Data handling
- e. Image enhancement
- f. Clean room techniques
- g. Light sources
- h. Mensuration techniques

Monthly progress reports were required from

Objective: To continue investigation of new methods or devices which would further the state-of-the-art for extraction of collected information from photographic materials. (Investigate, study, test and fabricate.)

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10 August 1965

TECHNICAL AREAS OF

* *Each PAR is a separate and distinct project with an assigned Monitor.*

PAR numbers have been listed under each area as stated in the contract.

Viewing Equipment

209, 223, 227, 228, 229

Projection Techniques

202, 205, 218, 219, 224, 233

Color Enlarging

230, 231

Data Handling

235

Image Enhancement

208, 211

Clean Room Techniques

Light Sources

216, 217

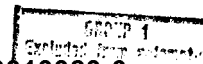
Mensuration Techniques

226, 232

Other (Contact Printers, Processors, Training, etc.)

203, 204, 206, 207, 210, 211, 213, 214, 215, 220, 221, 222, 225, 234, 236

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28 May 65

DISCUSSION

4. PAR Status: A complete index listing of PARs, titles (condensed in some cases) and status is included for quick reference:

| PAR | Title | Status |
|-----|-----------------------------|-------------------------------------|
| 201 | Travel and Liaison | Active |
| 202 | Briefing Print Enlarger | Active |
| 203 | Rapid Access Printer | Active |
| 204 | Contact Chip Printer | Termination Rpt completed 27 Jan 65 |
| 205 | Precision 4X Enlarger | Termination Rpt completed 27 Jan 65 |
| 206 | Reversal Processing Study | Active |
| 207 | Contact Printer Study | Active |
| 208 | Non-Elec. Image Enhancement | Cancelled |
| 209 | Phosphor Viewer | Cancelled |
| 210 | Laminated Slides | Completed 4 Sept 64 |
| 211 | Processing Effects Study | Active* |
| 212 | Color Acq. System Review | Active |
| 213 | Color Reprod. Review | Active |
| 214 | Reversal Processor | Active |
| 215 | 14-Inch Paper Processor | Active |
| 216 | Laser Photographic Exposure | Complete 12 Feb 65 |
| 217 | Optimization of Lasers | Active |
| 218 | Autofocus Systems | Not to be submitted |
| 219 | Opt. vs Contact Ptg. 1:1 | Not to be submitted |
| 220 | Static Elec. Hold-Down | Disapproved by Customer |

*PAR 211, Supplements Nos. 1, 2, and 3 disapproved per customer letter 19 Apr 65
All work has been stopped pending customer authorization to proceed with final rpt

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GROUP 1
EXCLUDED FROM AUTOMATIC DOWNGRADING
AND DECLASSIFICATION

SECRET

28 May 65

| PAR | Title | Status |
|-----|----------------------------------|----------------------------------|
| 221 | Lens Bench Manual | Not to be submitted |
| 222 | Auto Stereo Registrn System | Completed 3 Mar 65 |
| 223 | Monochr. Lens System | Disapproved/msg 4247, 9 Apr 65 |
| 224 | 3X - 15X Enlarger | Active |
| 225 | Micro-D Training Program | Terminated/msg 4690, 4 June 65** |
| 226 | Edge Trace Meas., Micro-D | Complete |
| 227 | Color Viewer | Contractor Preparing |
| 228 | Vectograph Study | Not to be submitted |
| 229 | Optical Design Film Viewer | Not to be submitted |
| 230 | 10X Color Lens | Disapproved/msg 4494, 10 May 65 |
| 231 | 10-20-40X Color Lamphouse | Disapproved/msg 4494, 10 May 65 |
| 232 | Automated Edge Trace Device | Disapproved/msg 4042, 12 Mar 65 |
| 233 | Zoom (6X to 60X) Projection Lens | Approved/msg 4493, 10 May 65 |
| 234 | MTF Exposure Device | Disapproved/msg 4266, 13 Apr 65 |
| 235 | Automation Program Study | Disapproved/msg 4288, 15 Apr 65 |
| 236 | Film Disposal Rewind Unit | Disapproved/msg 4289, 15 Apr 65 |
| 237 | Briefing Aids | Approved/msg 4563, 18 May 65 |
| 238 | Equipment Installation | Approved/msg 4592, 20 May 65 |
| 239 | Administration | Active |

5. Active PAR summary progress discussions are included in Section II (PAR Progress).

6. Submission of PAR 206, Reversal Processing of High Resolution Film Study, final report on 19 May 65 constituted project completion.

7. PARs prepared and submitted during the third quarter, FY-65 and their present status:

**Action accomplished after report period but included to reflect latest status

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EXCLUDED FROM AUTOMATIC DOWNGRADING
AND DECLASSIFICATION

SECRET

28 May 65

- a. PAR 234, MTF Exposure Device, submitted 25 Mar 65 disapproved by customer message 4266, 13 Apr 65.
- b. PAR 235, Automation Program Study, submitted 7 Apr 65, disapproved by customer message 4288, 15 Apr 65.
- c. PAR 236, Film Disposal Rewind Unit, submitted 15 Jan 65, disapproved by customer message 4289, 15 Apr 65.
- d. PAR 237, Briefing Aids, submitted 7 May 65, approved by customer message 4563, 18 May 65.
- e. PAR 238, Equipment Installation, submitted 10 May 65, approved by customer message 4592, 20 May 65.
- f. PAR 239, Administration, FY-65 and FY-66, cost estimates submitted 25 May 65, approved by customer message 4692, 4 June 65**.
- g. PAR 201, Travel and Liaison, FY-65 and FY-66, cost estimates submitted 25 May 65, approved by customer message 4691, 4 June 65**.
- 8. By customer message 4690, dated 4 June 65, the contractor was directed to terminate all effort on PAR 225, Microdensitometer Training Program. No report, interim or otherwise is required**.

**Action accomplished after report period but included to reflect latest status.

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GROUP 1
EXCLUDED FROM AUTOMATIC DOWNGRADING
AND DECLASSIFICATION

OSMA-3161-63

COPY **02 7**

Contract No.

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Performance Period:

20 May 1963 - 30 June 1964

The rights and obligations of the parties to this contract shall be subject to and governed by the Schedule, Exhibit A and General Provisions, which together with this signature page and the accompanying certificate comprise this Contract [redacted] In the event of any inconsistency between the Schedule and the General Provisions, the Schedule shall control.

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THE UNITED STATES

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871122

BY _____

SCHEDULE

PART I - SCOPE OF WORK

The Contractor shall provide the Government with development support in accordance with EXHIBIT "A" to Contract No. [REDACTED] Said EXHIBIT "A" is on file with the Contractor and the Contracting Officer and is incorporated into and made a part of this Schedule by reference.

PART II - PERIOD OF PERFORMANCE

The period of performance of work under this contract shall commence on 20 May 1963 and shall expire on 30 June 1964; however, said period of performance may be extended by mutual agreement between the parties hereto.

PART III - ESTIMATED COST AND FIXED-FEE



PART IV - PAYMENTS

In accordance with the provisions of Clause 4 of the General Provisions of this contract entitled "Allowable Cost, Fixed-Fee, and Payment", the Government shall pay the Contractor, as full compensation for the performance of this contract, the fixed-fee as specified in PART III, above, and the allowable costs incurred by the Contractor in the performance of this contract and accepted by the Contracting Officer as chargeable in accordance with "Contract Cost Principles, Section XV, Part 2, Armed Services Procurement Regulations." It being understood and agreed, without limiting the generality of the foregoing, that the following shall be considered as allowable items of cost hereunder when incurred or paid by the Contractor and when necessary and required and used for the performance of work hereunder.

a. Direct Engineering Labor - It is recognized that the standard accounting practice of the Contractor is to cost and charge Direct Engineering Labor including Engineers, Draftsmen and Technicians at average rates in lieu of the actual costs thereof, all such labor being grouped into several classes.

representative of employees used, the contract will be charged at the rate for the group in which his particular job classification falls. It is understood that these average rates may vary slightly from time to time, usually not oftener than every six months. It is recognized further that the standard accounting practice of the Contractor is to cost and charge directly to the contract Engineering Shop Labor and all other direct labor at actual cost. It is understood and agreed that this method of accounting has been approved by the cognizant Cost Inspection Office and that charges under this contract will conform thereto.

b. Indirect Costs - There shall be included as allowable indirect costs such Overhead and General and Administrative Expense Rates as may be established by the Contractor and the Government Contracting Officer in accordance with the principles of Clause 29 of the General Provisions hereof. Pending establishment of final overhead and G&A rates for any period, the Contractor shall be reimbursed a provisional billing rate acceptable to the Contracting Officer or his representative. Such billing rates may be revised from time to time with the approval of the Contracting Officer and are subject to appropriate adjustment when the final rates for that period are established.

c. Such other necessary costs as may from time to time be necessary to incur in support of the Government's needs hereunder, as approved by the Contracting Officer.

PART V - PAYMENT OF FIXED-FEE

The Fixed-Fee shall be paid in monthly installments based on allowable costs incurred by the Contractor and approved by the Contracting Officer computed at the same ratio that the total fixed-fee stated herein is to the total estimated cost stated herein; subject, however to the withholding provisions of Paragraph (c) of General Provision 4, ALLOWABLE COST, FIXED-FEE and PAYMENT. The fixed-fee payable hereunder shall not exceed the amount therefor stipulated in the contract as it may be amended from time to time.

PART VI - ANTICIPATORY COST

All costs which have been incurred by the Contractor on or after 10 May 1963, in anticipation of and prior to the signing of this contract, and which if incurred after the signing of this contract would have been considered as items of allowable costs hereunder, will be accepted by the Contracting Officer as costs under this contract.

PART VII - INTERDIVISIONAL BILLING CLAUSE

It is understood that in respect of purchase to be made by the Apparatus and Optical Division from other plants or divisions of the Contractor (which shall not be deemed to include subsidiaries or affiliates) the following principles shall apply: (1) to the extent that such purchases relate to items normally produced and sold by the Contractor, such purchases may be made at net wholesale or, where there is no net wholesale, negotiated prices normally charged by the Contractor pursuant to its catalog or otherwise for such items, (2) to the extent that such purchases relate to parts, components or property intended to be incorporated into the articles to be produced, repaired, or modified, special tools, supplies, miscellaneous equipment, facilities or other property, or to design, engineering, research or development services or any other services to be performed by the Contractor's employees not regularly assigned to the project, such purchases may be made at negotiated prices estimated but not warranted by the Contractor not to exceed plant cost, such purchases from other plants or divisions being treated for purposes of audit no differently than purchases under similar terms and conditions from third parties.

PART VIII - LETTER CONTRACT SUPERSEDED

This is the Definitive Contract contemplated by Letter Contract, Message 7592 dated 20 May 1963. This Definitive Contract supersedes said letter contract. Services performed and payments made under the said Letter Contract, shall be deemed to be services performed and payments made under this Definitive Contract. The date of the Letter Contract shall govern for the determination of the priority status of this Definitive Contract. In the event of conflict between this Definitive Contract and said Letter Contract, this Definitive Contract shall prevail.

PART IX - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whenever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirement or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting

with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

PART X - SPECIAL SECURITY RESTRICTIONS

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

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Recd 31 Jan 64

EXHIBIT "A"

to

Contract No.

Dated 20 May 63

1. STATEMENT OF WORK

The Contractor shall provide the Government with development support which will lead to improved methods, techniques and equipment utilized in exploiting information obtained from various programs utilizing photographic sensors. In the performance of this work the Contractor shall investigate, through studies, tests and the fabrication and use of engineering breadboard equipment, new methods or devices which will further the state of the art in photographic techniques and practices as it pertains to improved extraction of information from photographic materials.

2. AUTHORIZATION TO PROCEED

Contractor shall undertake development efforts under this contract only pursuant to specific authorization of the Technical Representative of the Contracting Officer. Such authorization shall be given in the form of work orders of a nature and to be issued as described below.

A. Authorization for general development efforts in an entire technical area. Authorization to being work may be given orally by the Technical Representative of the Contracting Officer and will be promptly confirmed in writing.

B. Authorization to proceed with a specific project within an authorized technical area when the cost of the project is estimated to be or more (Significant Project) 25X may be given orally by the Technical Representative of the Contracting Officer and will be promptly confirmed in writing.

C. Authorization for projects within an authorized technical area but estimated to cost less than may be given orally by the Technical Representative of the Contracting Officer and need not be confirmed in writing. 25X

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3. REPORTS

Progress on all work underway and plans for the future will be reported briefly on a monthly basis by the Contractor for the benefit of the Technical Representative of the Contracting Officer. In addition, a written quarterly review summarizing results obtained will be submitted by the Contractor. This shall include information concerning money expended for each significant Project to date and re-estimate of money required to complete the project. The Contractor will be expected to provide the Technical Representative of the Contracting Officer written reports concerning development efforts when deemed advisable by the Government as well as such verbal elaborations as the Technical Representative or Contracting Officer may desire. Text and format of all reports shall support the need of the Technical Representative of the Contracting Officer to approximately determine the technical and Financial progress of each development project assigned.

4. COST

Costs shall be accumulated to each Significant Project if applicable, otherwise, to technical area in which the work falls.

5. TESTING AND EVALUATION

Testing and evaluation of equipment under this development effort may be performed in the Government laboratory operated by the Contractor in his plant at All labor and burden costs for such testing and evaluation will be charged to and funded under this contract.

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6. PATENTS

The Contractor will assign to the Government, in accordance with the Patent Rights Clause of this contract, the right to manufacture any equipment resulting from this contract. In this connection the Contractor shall release to the Government all technical data, drawings and prototype equipment developed under this contract. In this connection it is recognized that equipment developed under this contract normally be of prototype or breadboard nature and, as such, may not be suitable for reproduction. The drawings referred to above are those utilized for making such prototype or breadboards.

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7. TECHNICAL AREAS OF INVESTIGATION

The Contractor may, within the scope of this Work Statement, pursue such developmental activities in technical areas indicated below as authorized. Other areas of similar interest may also be indicated for developmental activity.

- A. Viewing equipment
- B. Projection techniques
- C. Color enlarging
- D. Data handling
- E. Image enhancement
- F. Clean room techniques
- G. Light sources
- H. Mensuration techniques

8. LEVEL OF EFFORT

The level of effort authorized in the performance of this contract through 30 June 1964 and for each 12 months' period thereafter shall not exceed twenty-five (25) man-years time per period. Said time shall include that of scientists, engineers and direct support personnel. This level of effort may be increased by mutual agreement.

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